

period, CFCU paid checks to third parties totaling approximately \$62,000 and checks totaling approximately \$3,900 to Mr. Waldholtz.

In reality, there were virtually no funds in either account to pay those checks. After CFCU and FSB discovered the check kiting scheme and exchanged certain checks, the Waldholtzs' account at First Security had a negative balance or overdraft of approximately \$209,000 and the account at CFCU had no overdraft. Mr. Waldholtz covered the overdraft by depositing into the First Security account money which was provided by Enid Greene Waldholtz's father, D. Forrest Greene.

#### **b. False Statements and False FEC Reports**

Joseph Waldholtz was the treasurer of Enid Waldholtz's 1994 Congressional campaign committee, which was called "Enid '94" ("the Committee"). As treasurer, Mr. Waldholtz was responsible for preparing various FEC forms and reports regarding the Committee's receipts and disbursements and was responsible for certifying that the Committee's submissions were "to the best of [his] knowledge and belief . . . true, correct and complete."

On or about January 31, 1995, Mr. Waldholtz signed the 1994 Year End Report (FEC Form 3) for Enid '94 and signed the Report to certify that it was true, correct and complete. Mr. Waldholtz then caused the Report to be filed with the FEC. At the time that he signed the Report and caused it to be filed, Joseph Waldholtz knew that the Report contained a substantial number of false statements of material facts and omissions of material facts and that the Report was not true, correct or complete.

During calendar year 1994, Enid Waldholtz's father, D. Forrest Greene, had deposited approximately \$2,800,000 into the personal bank accounts of Joseph and Enid Waldholtz. Joseph Waldholtz knew that during calendar year 1994 almost \$1,800,000 provided by Mr. Greene was transferred from the Waldholtzs' personal accounts to Enid '94. Joseph Waldholtz also knew that neither he nor Enid Waldholtz were receiving salaries during most of 1994 and that neither he nor Enid Waldholtz had sufficient personal funds, independent of those provided by Mr. Greene, to cover the transfers to Enid '94.

Despite the fact that he knew that the funds that were transferred from the personal accounts of Joseph and Enid Waldholtz to Enid '94 had been provided by Mr. Greene, Joseph Waldholtz reported on various FEC Reports, including the 1994 Year End Report, that the transferred funds represented Enid Waldholtz's personal assets. Mr. Waldholtz made those false statements and misrepresentations because he knew that the FEC regulations that limit campaign contributions to \$1,000 per